

**NBER Entrepreneurship Research Boot Camp  
Summer 2013  
Reading List**

This reading list contains all the required and recommended readings for each of the sessions. “Required reading” means that every student is expected to have carefully read and analyzed these papers. “Recommended readings” means that students should have made an effort to have a look at these papers.

**WEDNESDAY, JULY 17 (morning session)**  
**Erik Hurst, University of Chicago and NBER**  
*Entrepreneurship and Household Behavior*

**Required readings:**

Evans, David and Boyan Jovanovic (1989). “An Estimated Model of Entrepreneurial Choice Under Liquidity Constraints”, *Journal of Political Economy*, 97(4), 808-27.

Evans, David, and Linda Leighton, “Some Empirical Aspects of Entrepreneurship”, *American Economic Review*, 79(3), 519-35.

Holtz-Eakin, Douglas, David Joulfaian, and Harvey Rosen, (1994). “Sticking It Out: Entrepreneurial Survival and Liquidity Constraints.” *Journal of Political Economy*, 102, 53-75.

Hurst, Erik and Annamaria Lusardi (2004). “Liquidity Constraints, Household Wealth, and Entrepreneurship”, *Journal of Political Economy*, 112(2), 319-47.

Hamilton, Bart (2000). “Does Entrepreneurship Pay? An Empirical Analysis of the Returns to Self Employment”, *Journal of Political Economy*, 108, 604-31.

Moskowitz, Toby and Annette Vissing Jorgensen (2002) “The Returns to Entrepreneurial Investment: A Private Equity Premium Puzzle?”, *American Economic Review*, 94(2), 745-78.

Hurst, Erik, Geng Li and Ben Pugsley (2011). "Are Household Surveys Like Tax Forms: Evidence from Income Underreporting of the Self Employed", Working Paper

Hurst, Erik, Geng Li and Ben Pugsley (2011). "What Do Small Businesses Do?" *Brookings Papers on Economic Activity*, forthcoming.

**WEDNESDAY, JULY 17 (afternoon session)**  
**John Haltiwanger, University of Maryland and NBER**  
***Productivity and Entrepreneurship***

The focus of the lecture will be on what we know about the contribution of entry and young firms to productivity and job growth. An overview of theoretical underpinnings as well as the empirical evidence will be presented. In addition, both discussion and material about data sources that can be used to study entry and the productivity and survival dynamics of young firms will be provided.

**Required Readings:**

Davis, S., J. Haltiwanger and J. Faberman, "Labor Market Flows in the Cross-Section and Over Time," *Journal of Monetary Economics*, January 2012.

Foster, L., J. Haltiwanger and C.J. Krizan, "Market Selection, Reallocation, and Restructuring in the U.S. Retail Trade Sector in the 1990s," *Review of Economics and Statistics*, 2006.

Foster, L., J. Haltiwanger, and C. Syverson, "Reallocation, Firm Turnover and Efficiency: Selection on Productivity or Profitability," *American Economic Review*, March 2008.

Haltiwanger, J., "Job Creation and Firm Dynamics in the U.S." **Innovation Policy and the Economy, Volume 12** (2012), Josh Lerner and Scott Stern (eds.) [in readings as Haltiwanger\_2011]

Haltiwanger, J., R. Jarmin and J. Miranda, "Who Creates Jobs? Small vs. Large vs. Young" *Review of Economics and Statistics* (forthcoming).

Syverson, C. "What Determines Productivity?" *Journal of Economic Literature*, June 2011.

**Recommended Readings:**

Baily, M., C. Hulten, and D. Campbell. "Productivity Dynamics in Manufacturing Establishments." *Brookings Papers on Economic Activity: Microeconomics*, 187-249, 1992.

Davis, S., and J. Haltiwanger, "Gross Job Flows," in Ashenfelter and Card (eds.), *Handbook of Labor Economics*, North-Holland: Amsterdam, 1999.

Davis, S., J. Haltiwanger, R. Jarmin, C.J. Krizan, J. Miranda, A. Nucci, and K. Sandusky. "Measuring the Dynamics of Young and Small Businesses: Integrating the Employer and Nonemployer Universes." in Timothy Dunne, J. Bradford Jensen, and Mark J. Roberts (eds.), *Producer dynamics: new evidence from micro data. 2010*.

Dunne, T. M. Roberts, and L. Samuelson. "Patterns of Firm Entry and Exit in U.S. Manufacturing Industries." *RAND Journal of Economics*, 19(4): 495-515, 1988.

Ericson, R. A. Pakes, "Markov Perfect Industry Dynamics: A Framework for Empirical Work," *Review of Economic Studies*, Vol. 62(1), 1995, 53-82.

Hopenhayn, H. "Entry, Exit, and Firm Dynamics in Long Run Equilibrium." *Econometrica*, 60(5): 1127-1150, 1992.

Jovanovic, B., "Selection and the Evolution of Industry," *Econometrica*, 50(3), 649-670, 1982.

Melitz, M. and G. Ottaviano "Market Size, Trade, and Productivity", *Review of Economic Studies*, January 2008.

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**THURSDAY, JULY 18 (morning session)**

**Scott Stern, MIT Sloan and NBER**

*Entrepreneurial Strategy*

**Required readings:**

Arora, A., A. Fosfuri and A. Gambardella (2001). "Markets for Technology and their Implications for Corporate Strategy," *Industrial and Corporate Change*, 10(2): 419-451.

Gans, Joshua S. 2011. "When is Static Analysis a Sufficient Proxy for Dynamic Considerations? Reconsidering Antitrust and Innovation." *Innovation Policy and the Economy* 11.

Gans, J.S., and S. Stern (2003). "The Product Market and the Market for Ideas: Commercialization Strategies for Technology Entrepreneurs," *Research Policy*, 32: 333-350

Gans, J.S., D. Hsu and S. Stern (2008). "The Impact of Uncertain Intellectual Property Rights on the Market for Ideas," *Management Science*, 54(5): 982-997.

Hellmann, Thomas, and Enrico Perotti. 2011. "The Circulation of Ideas in Firms and Markets." *Management Science*.

Luo, Hong. "When to Sell Your Idea: Theory and Evidence from the Movie Industry." Harvard Business School Working Paper, No. 12-039, November 2011.

**Recommended readings:**

Anton, J.J. and D.A. Yao. 1994. "Expropriation and Inventions: Appropriable Rents in the Absence of Property Rights." *American Economic Rev.* 84 190-209.

Arora, A. 1995. "Licensing Tacit Knowledge: Intellectual Property Rights and the Market for Know-How", *Economics of Innovation and New Technology* 4 41-49.

Arora, A., A. Fosfuri, and A. Gambardella. 2001. *Markets for Technology: The Economics of Innovation and Corporate Strategy*. Cambridge, MA: MIT Press. [Not available electronically]

Baumol, W., "Entrepreneurship, Innovation and Growth: The David-Goliath Symbiosis," <http://www.econ.nyu.edu/user/baumolw/sfg.pdf>

Chatterji, A. and K. Fabrizio (2012). "Do the Costs of Cooperation Drive the Gale of Creative Destruction? Commercialization Strategies in the Medical Device Industry," mimeo, Duke University

Eesley, C., Hsu, D. and E. Roberts (2012). "Focus or Diversify? Aligning Founding Teams with Strategy and Environment," mimeo, University of Pennsylvania.

Gans, J.S., and S. Stern (2000). "Incumbency and R&D Incentives: Licensing the Gale of Creative Destruction," *Journal of Economics and Management Strategy*, 9(4): 485-511.

Gans, J.S., and S. Stern. 2010. "Is There a Market for Ideas?" *Industrial and Corporate Change* 19(3): 805-837.

Gans, J.S., D.H. Hsu and S. Stern. 2002. "When Does Start-up Innovation Spur the Gale of Creative Destruction?" *RAND Journal of Economics* 33: 571-86.

Hellmann, T. (2007). "The role of patents for bridging the science to market gap," *Journal of Economic Behavior and Organization*, 63(4): 624-657.

Hellmann, T, and M. Puri (2000). "The Interaction between Product Market and Financing Strategy: The Role of Venture Capital," *Review of Financial Studies*, 13(4): 959-984.

Hsu, D. (2006). "Venture Capitalists and Cooperative Start-up Commercialization Strategy," *Management Science*, 52: 204-219

Hsu, D. and M. Marx (2012). "Technology Commercialization Strategy Dynamics and Entrepreneurial Performance: Evidence from the Speech Recognition Industry," working paper, University of Pennsylvania.

Lamoreaux, N. and K. Sokoloff (2001). "Market Trade in Patents and the Rise of a Class of Specialized Inventors in the 19th Century United States," *American Economic Review Papers and Proceedings*, 91(2): 39-44.

Lerner, J. and R. Merges. 1998. "The Control of Technology Alliances: An Empirical Analysis of the Biotechnology Industry," *Journal of Industrial Economics*. 46 125-156.

Levine, A. (2007). "Licensing and Scale Economies in the Biotechnology Pharmaceutical Industry," mimeo., Stanford University.

Malmendier, U. and J. Lerner, "Contractibility and the Design of Research Agreements," *American Economic Review*, 100(1): 214-246.

Teece, D. 1986. "Profiting from Technological Innovation: Implications for Integration, Collaboration, Licensing and Public Policy." *Research Policy* 15: 285-305.

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**THURSDAY, JULY 18 (afternoon session)**

**John van Reenen, London School of Economics and NBER**  
*Management, Organization and Innovation*

**Required readings:**

a) Management

Bloom, Nicholas, and John Van Reenen (2007) "Measuring and Explaining Management Practices across Firms and Countries", *Quarterly Journal of Economics*, 122(4), 1341-1408.  
[http://cep.lse.ac.uk/textonly/\\_new/staff/vanreenen/pdf/management\\_qje.pdf](http://cep.lse.ac.uk/textonly/_new/staff/vanreenen/pdf/management_qje.pdf)

Bloom, Nicholas, and John Van Reenen (2010) "Human Resource Management and Productivity" *Handbook of Labor Economics Volume IV* Edited by Orley Ashenfelter and David Card <http://cep.lse.ac.uk/pubs/download/dp0982.pdf>

b) Organization

Gibbons, Robert and John Roberts (2012) "Introduction" *Handbook of Organizational Economics*, Princeton: Princeton University Press

Bloom, Nicholas, Sadun, Raffaella and John Van Reenen. (2010). "Recent Advances in the empirics of organizational economics" *Annual Review of Economics* (2010) 2:105-37  
<http://cep.lse.ac.uk/pubs/download/dp0970.pdf>

Bloom, Nicholas, Sadun, Raffaella and John Van Reenen. (2012). "The organization of firms across countries" *Quarterly Journal of Economics* 127(4): 1663-1705  
<http://cep.lse.ac.uk/pubs/download/dp0937.pdf>

c) Innovation

Aghion, P, Bloom, N, Blundell, R, Griffith, R, and P. Howitt (2005) "Competition and Innovation: An Inverted U Relationship", *Quarterly Journal of Economics*.

Bloom, Nick, Mark Schankerman and John Van Reenen (2013) "Technology Spillovers and Product Market rivalry" <http://cep.lse.ac.uk/pubs/download/dp0675.pdf>, Forthcoming, *Econometrica*

Bloom, Nick, Mirko Draca and John Van Reenen (2013) "Trade induced technical change? The impact of Chinese imports on Innovation, IT and Productivity" *CEP Discussion Paper No. 1000*.  
<http://cep.lse.ac.uk/pubs/download/dp1000.pdf>

### **Recommended readings:**

Aghion, P and P. Howitt (2009) *The Economics of Growth*, MIT Press

Bartelsman, Erik, Haltiwanger, John and Scarpetta, Stefano (2013) “Cross Country Differences in Productivity: The Role of Allocation and Selection” *American Economic Review*, 103(1) 305-334

Bertrand, Marianne, and Antoinette Schoar. 2003. “Managing with Style: The Effect of Managers on Firm Policies.” *Quarterly Journal of Economics*, 118 (4): 1169-1208.

Bloom, Nicholas and John Van Reenen (2010) “New approaches to measuring management and firm organization”, *American Economic Review Papers and Proceedings* (2010), 100, 105–109 <http://cep.lse.ac.uk/pubs/download/dp0969.pdf>

Bloom, Nick, Paul Romer, Stephen Terry and John Van Reenen (2013) “A Trapped Factors Model of Innovation: short version” <http://cep.lse.ac.uk/pubs/download/dp1189.pdf>, Forthcoming, *American Economic Review Papers and Proceedings*

Bloom, Nicholas, Carol Propper, Stephan Seiler and John Van Reenen (2012) “The Impact of Competition on Management Quality: Evidence from Public hospitals” <http://cep.lse.ac.uk/pubs/download/dp0983.pdf>

Bloom, Nicholas, Raffaella Sadun, and John Van Reenen (2012) “Americans do IT Better: American Multinationals and the Productivity Miracle”, *American Economic Review* 102 (1), 167-201 [http://cep.lse.ac.uk/textonly/\\_new/staff/vanreenen/pdf/aer102\(1\).pdf](http://cep.lse.ac.uk/textonly/_new/staff/vanreenen/pdf/aer102(1).pdf)

Bloom, Nicholas, Eifert, Ben, Mahajan, Abarjit, McKenzie, David and John Roberts (2013) “Does management matter? Evidence from India” *Quarterly Journal of Economics* 128 (1) 1-51

Bloom, Nicholas, Raffaella Sadun, and John Van Reenen (2013) “Management as a Technology” LSE mimeo [http://cep.lse.ac.uk/textonly/\\_new/staff/vanreenen/pdf/mat\\_2012fmar16\\_ucb.pdf](http://cep.lse.ac.uk/textonly/_new/staff/vanreenen/pdf/mat_2012fmar16_ucb.pdf)

Blundell, Richard, Rachel Griffith and John Van Reenen (1999). “Market share, market value and Innovation: Evidence from British Manufacturing Firms” *Review of Economic Studies* (1999) 228, 529-554 <http://cep.lse.ac.uk/textonly/people/vanreenen/papers/marketshare.pdf>

Hsieh, Chiang-Tai, and Peter Klenow (2009) “Misallocation and Manufacturing TFP in China and India.” *Quarterly Journal of Economics*, 124(4), 1403-1448

Ichniowski, Casey, Kathryn Shaw and Giovanna Prenushi. (1997), “The Effects of Human Resource Management: A Study of Steel Finishing Lines”, *American Economic Review*, LXXXVII (3), 291-313.

Syverson, Chad (2011) "What determines productivity?" *Journal of Economic Literature*, 49(2) 326–365 <http://home.uchicago.edu/~syverson/productivitysurvey.pdf>

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**FRIDAY, JULY 19 (morning session)**

**Josh Lerner, HBS and NBER**

*The Empirics of Entrepreneurial Venture Creation*

**Required Readings:**

Bhide, Amar, 2000, *The Origin and Evolution of New Business*, New York: Oxford University Press. Chapter 1.

Giannetti, Mariassunta, and Andrei Simonov, 2009, Social interactions and entrepreneurial activity, *Journal of Economics and Management Strategy*, 18, 665-709.

Gompers, Paul, Josh Lerner, and David Scharfstein, 2005, Entrepreneurial spawning, *Journal of Finance* 60, 577-614.

Kaplan, Steven, Berk Sensoy, and Per Stromberg, 2009, Should Investors Bet on the Jockey or the Horse? Evidence from the Evolution of Firms from Early Business Plans to Public Companies, *Journal of Finance* 64:1, 75-115.

Lerner, Josh, and Ulrike Malmendier, 2012, With a little help from my (random) friends: success and failure in post-business school entrepreneurship, *Review of Financial Studies*, forthcoming

Nanda, Ramana, and Jesper Sorensen, 2010, Workplace peer effects and entrepreneurship, *Management Science*, July 2010 vol. 56 no.7 1116-1126

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**FRIDAY, JULY 19 (afternoon session)**

**William R. Kerr, Harvard University and NBER**

*Cities, Clusters and Entrepreneurship*

**Required Readings:**

Glaeser, Edward L., Sari Pekkala Kerr, and William R. Kerr, 2012, Entrepreneurship and urban growth: An empirical assessment with historical mines, Working paper.

Samila, Sampsa, and Olav Sorenson, 2011, Venture capital, entrepreneurship and economic growth, *Review of Economics and Statistics*, 93:1, 338-49.

Arzaghi, Mohammad, and J. Vernon Henderson, 2008, Networking off Madison Avenue, *Review of Economic Studies* 75, 1011-38.

Michelacci, Claudio, and Olmo Silva, 2007, Why so many local entrepreneurs?, *Review of Economics and Statistics* 89:4, 615-33.

Fallick, Bruce, Charles A. Fleischman, and James B. Rebitzer, 2006, Job-hopping in Silicon Valley: Some evidence concerning the microfoundations of a high-technology cluster, *Review of Economics and Statistics* 88:3, 472-81.

Kerr, William R., and William F. Lincoln, 2010, The supply side of innovation: H-1B visa reforms and U.S. ethnic invention, *Journal of Labor Economics* 28:3, 473-508.

### **Recommended Readings:**

Glaeser, Edward, and William Kerr, 2009, Local industrial conditions and entrepreneurship: How much of the spatial distribution can we explain?, *Journal of Economics and Management Strategy* 18, 623-63.

Kerr, William R., and Scott D. Kominers, 2013, Agglomerative forces and cluster shapes, Working paper.

Many more references, both classics and modern work, available upon request...

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**SATURDAY, JULY 20 (morning session)**  
**Antoinette Schoar, MIT Sloan and NBER**  
***Development and Entrepreneurship***

### **Required readings:**

Banerjee, A. and Duflo, E. (2008). "Do Firms Want to Borrow More? Testing Credit Constraints Using a Directed Lending Program." M.I.T. Working Paper.

Bertrand, M., Schoar, A., 2006. The role of family in family firms, *Journal of Economic Perspectives* 20, 73–96.

Bruhn, M., D. Karlan, A. Schoar, "What capital is missing in developing countries", *American Economic Review*, May 2010.

De Mel, S., McKenzie, D., and Woodruff, C. (2008). "Returns to Capital in Microenterprises: Evidence from a Field Experiment". *The Quarterly Journal of Economics*, 123(4): 1329-1372.

Karlan, D., and J. Zinman (2009). "Observing Unobservables: Identifying Information Asymmetries With a Consumer Credit Field Experiment." *Econometrica* 77:1993-2008.



La Porta, R., F. López-de-Silanes, A. Shleifer, and R. Vishny, "Law and Finance," *Journal of Political Economy*, CIV (1998), 1113–1155

Rajan, R., and Zingales, L. (1998), "Financial dependence and growth", *American Economic Review*, 88: 559–586.

**Recommended readings:**

Bennedson, M., Nielsen, K., Perez-Gonzalez, F., Wolfenzon, D., 2007. Inside the family firm: the role of families in succession decisions and performance. *Quarterly Journal of Economics* 122, 647–691.

Bertrand, M., S. Johnson, K. Samphantharak and A. Schoar, *Mixing Family With Business: A Study of Thai Business Groups and the Families Behind Them*, *The Journal of Financial Economics*, June 2008, 88 (3), 466-498.

Claessens, S., Djankov, S., Lang, L., 2000. The separation of ownership and control in East Asian Corporation. *Journal of Financial Economics* 58, 81–112.

Schoar, A. (2010) "The Divide Between Subsistence and Transformational Entrepreneurship" *Innovation Policy and the Economy*, Vol. 10, edited by Josh Lerner and Scott Stern, NBER, University of Chicago Press.

Udry, C. and Anagol, S. (2006). "The Return to Capital in Ghana." *American Economic Review*, 96(2): 388–393.

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**SATURDAY, JULY 20 (afternoon session)**

**Thomas Hellmann, UBC and NBER**

***Entrepreneurial Financing***

**Required readings:**

Bottazzi, Laura, Marco Da Rin and Thomas Hellmann (2008), "*Who are the active investors? Evidence from venture capital*" *Journal of Financial Economics*, 89(3), 488-512

Da Rin, Marco, Thomas Hellmann, and Manju Puri (2011), "[A survey of venture capital research](#)"; Forthcoming in George Constantinides, Milton Harris, and René Stulz (eds) *Handbook of the Economics of Finance*, vol 2, Amsterdam, North Holland Bottazzi,

Hsu, David, What Do Entrepreneurs Pay for Venture Capital Affiliation?, *Journal of Finance*, 59: 1805-1844, August 2004

Kaplan, Steven, and Per Strömberg, 2003, "Financial Contracting Theory Meets the Real World: Evidence from Venture Capital Contracts," *Review of Economic Studies* 70, 281–315.

Kerr, W., Lerner, J., Schoar, A. (2011). “The consequences of entrepreneurial finance: a regression discontinuity analysis”. *Review of Financial Studies*, forthcoming.

Robb Alicia and David Robinson, “The Capital Structure Decisions of Startup Firms,” with. forthcoming, *Review of Financial Studies*.

**Recommended readings:**

Ewens, Michael, and Matt Rhodes-Kropf, 2012, “Is the VC Partnership Greater than the Sum of its Partners?” Working paper, Harvard Business School

Goldfarb, Brent, David Kirsch, and Alex Triantis, 2012, “Does Angel Participation Matter? An Analysis of Early Venture Financing” Working paper

Hellmann, Thomas and Manju Puri, 2002, "Venture Capital and the Professionalization of Start-up Firms: Empirical Evidence" *The Journal of Finance*, 57(1), 169-197

Hellmann, Thomas (2006), “IPOs, Acquisitions and the Use of Convertible Securities in Venture Capital” *Journal of Financial Economics*, 81(3), 649-679

Kaplan, Steven, and Per Strömberg, 2004, “Characteristics, Contracts, and Actions: Evidence from Venture Capital Analyses,” *Journal of Finance* 59, 2177-2210.

Kaplan, S., Schoar, A. (2005). “Private equity performance: returns, persistence, and capital flows”. *Journal of Finance* 60, 1791–1823.

Samila, Sampsa and Olav Sorenson “Venture Capital, Entrepreneurship, and Economic Growth” *Review of Economics and Statistics*, 93 (2011): 338-349

Sorensen, Morten, 2007, “How smart is the smart money? A two-sided matching model of venture capital” *Journal of Finance* 62:6, 2725-62.